

SECTION I: EXECUTIVE SUMMARY

Introduction

Nearly 307,000 people in St. Louis City and Saint Louis County (approximately one in every five citizens) are either uninsured or covered by Missouri Medicaid¹. These individuals must rely upon safety net providers to meet their health care needs.

While St. Louis is blessed with an abundance of committed health care safety net institutions, navigating this complex system from a patient perspective is both challenging and confusing. In addition, there are critical shortages in the number of medical specialists and dentists to care for the uninsured and Medicaid populations. These and other barriers lead to delayed medical care and otherwise preventable complications that diminish quality of life and life-span.

This is confirmed by an analysis of more than 60 key health indicators. These statistics reveal particularly unfavorable health outcomes among persons living in St. Louis City and pockets of Saint Louis County, most notably northern portions of the County. Health disparities are clearly linked to socioeconomic status and race, with African-Americans in our community having poorer health status than Whites for most clinical outcomes, and new Americans facing unique barriers to accessing the health care system.

The health care safety net in St. Louis City and County is also under-funded by at least \$166 Million. Barring intervention, this gap is likely to widen in the near future. Approximately 20% of current funding for community-based primary and specialty care services has been designated as “transitional” by the Federal government, and could be lost as early as February 2004. In addition, mounting fiscal pressures on Federal and State budgets could lead to drastic cuts in safety net programs and a further 25% increase in the number of uninsured persons in our community. Such cuts would place even greater fiscal stress on an already under-funded system.

Based upon a recommendation of the Indigent Care Task Force of Civic Progress, governmental leaders and committed community members joined with the leadership of the health care sector in St. Louis to form the St. Louis Regional Health Commission (RHC). In September of 2001, Missouri Governor Bob Holden, Mayor Francis Slay and County Executive Buzz Westfall, along with regional health care leaders and community members, officially announced its creation.

The charge of the new Commission is to improve health care access, reduce health disparities, and improve health outcomes for the uninsured and under-insured in St. Louis City and Saint Louis County.

The Commission itself is a 19-member body, which includes representatives from area governments, health care providers, and the community at large. The RHC also has two Advisory Boards of 25 individuals per Board. The Community Advisory Board represents community organizations, citizens, and users of the safety net system; the Provider Advisory Board represents health service safety net providers in the region.

¹ *This number is higher (338,000) if Medicaid recipients who also qualify for Medicare are included.*

As part of ongoing discussions with Federal and State governments, the Commission was immediately charged with a critical task: to prepare a strategic plan for the delivery of primary and specialty health care services to the uninsured and underinsured people in the St. Louis area by the end of 2003.

Therefore, the RHC's initial focus is to solve an immediate problem in our community – how to create a financially sustainable primary and specialty care safety net system for St. Louis City and Saint Louis County. This effort is urgent, immediate, and the focus of the RHC's planning efforts through 2003.

This report has been written for three main purposes:

1. To provide the St. Louis community with a “snap-shot” of where we stand in terms of health status, health disparities, and the integrity of the health care safety net as it is currently organized and financed.
2. To serve as the basis for making recommendations on alternative mechanisms for organizing and financing primary and specialty care services in our region.
3. To meet the requirements of the Federal and State governments under the terms of an agreement with the St. Louis community that was developed in June of 2002.

The creation of this report has been a collaborative effort between the RHC, its Advisory Boards, and the community at large, with over 250 individuals and organizations providing input into this process. We are indebted to the time and energy of everyone involved in this process.

While an important milestone, this report is only a first step in the RHC's work to improve access and reduce health disparities in St. Louis City and Saint Louis County. Throughout the remainder of 2003, the RHC will continue to work with the St. Louis community to develop solutions to the primary and specialty care issues found in this report. Specific recommendations for improving access, enhancing coordination of care and greater cost-effectiveness will be presented in late 2003 as part of a comprehensive strategic plan. In 2004, the RHC will release recommendations for prevention, health education, and community health services.

We look forward to you joining us in this effort.

Summary of Detailed Key Findings in this Report

In order to complete this report, the RHC:

- Summarized the status of health outcomes for the St. Louis community for over 60 health indicators (Section III).
- Examined the current integrity of the health care safety net, collecting data on the demand for services, as well as organization, capacity, and financing of the current system (Section IV).
- Examined the barriers individuals face in obtaining access to health care services (Section V).
- Reviewed determinants of health status other than the medical system (Section VI).
- Assessed the current way health information is collected and reported to the citizens of the region (Section VII).

The major key findings for each Section of the Report are summarized in the following pages:

Health Outcomes (Section III)

1. In geographic areas and in population groups with higher incomes and more education, health outcomes are more favorable. In areas with lower incomes and less education, health outcomes are less favorable.
2. Disparities are greatest for birth-related indicators such as lack of early prenatal care and low infant birth weight. Lack of early prenatal care carries a greater risk for prematurity and low birth weight. Premature and low birth weight infants are at substantially higher risk for long-term mental and physical disabilities as well as early death.
3. There are significant disparities in health outcomes between various geographic areas in our region, and between African Americans and whites, in both St. Louis City and Saint Louis County. (Race-comparative rates are limited to White and African American, as concentrations of other groups in the region are too small for detailed analysis.)
4. The areas of greatest disparity between African Americans and whites in our region are: teen births, low birth weight, lack of first-trimester prenatal care, homicide, tuberculosis, prostate cancer mortality and diabetes mortality.

The Integrity of the Safety Net (Section IV)

Organization of the Safety Net

1. Health care delivery systems are complex and can be difficult to navigate. This is challenging for all patients and many providers, but can be a particular barrier for safety net patients due to the added complexity of the structure of the safety net in St. Louis City and Saint Louis County.

Factors that contribute to health disparities include:

- Limited collaboration and care coordination among safety net providers
- A lack of understanding on the part of patients and providers as to how to navigate and most effectively utilize the system as currently structured.
- Organizational barriers to accessing medical care, which are described in detail in Section V of this report.

Primary Care

1. Safety net institutions provide primary care services at 33 geographically distributed sites throughout St. Louis City and County. These institutions are critical components of the safety net, providing 493,366 primary care visits to 252,919 individuals. Approximately 90% of these individuals are either uninsured or covered by Medicaid. A small cadre of community physicians also provides primary care to safety net patients in the region.

2. Except for a small portion of near North Saint Louis County, the areas of highest need in St. Louis City and County are within 20 minutes travel time to a primary care safety net provider.

3. Appointment wait times for preventive and routine primary care are comparable to that encountered in the private sector; however, hours of operation are largely restricted to weekdays between 8:30 a.m. and 5 p.m.

While appointment wait times and physical plant capacity suggest there is adequate primary capacity to meet current demand, many safety net patients may not avail themselves of these services, and some choose to utilize alternative facilities such as hospital Emergency Departments or urgent care centers for their primary care needs.

4. Hospital Emergency Departments provide a large amount of non-emergent care to safety net patients – an average of 219 patients per day, about half of whom arrive for care after 4 p.m. Although the use of the ED may be understandable from the patient’s perspective, primary care delivered in EDs has proven to be a less medically effective option for the patients themselves, as well as being a strain on the medical system overall.
5. Urgent care centers could play an important role in meeting non-emergent patient needs on weekends and after-hours. However, except for the ConnectCare Urgent Care Center, which opened in November 2002, and Health Care for Kids, there are no urgent care centers located within 20 minutes of the areas of highest “safety net” need in St. Louis City and Saint Louis County.
6. Over 94% of the individuals seen in the safety net system were under the age of 65, indicating that most St. Louis City and Saint Louis County residents eligible for Medicare utilize community physicians or other non-safety net providers for their primary care needs.

Specialty Care

1. Six institutions in St. Louis City and Saint Louis County provide the vast majority of safety net specialty care in the region: Washington University Faculty Group Practice (36%), Cardinal Glennon Hospital Specialty Clinics (20%), Saint Louis University Faculty Group Practice (15%), Barnes-Jewish Specialty Clinics (13%), Saint Louis ConnectCare (13%), and St. John's Mercy Clinic (3%).
2. Appointment wait times for subspecialty care are excessive, indicating that the demand for subspecialty care is significantly greater than existing safety net capacity. These wait times can extend to 3 months or greater for some key specialty services such as Gastroenterology, Pulmonology, or Neurosurgery.
3. Based on the size and demographics of the uninsured and Medicaid populations, there is a projected need for up to an additional 246,400 subspecialty doctor visits per year.
4. Very few private practice sub-specialists care for uninsured and under-insured patients. Major barriers to broadening physician participation include:
 - The inability to cover clinical practice overhead costs (i.e. supplies, equipment, office staff, rent, utilities) under Missouri's current Medicaid fee schedule. Missouri Medicaid payments to physicians are among the lowest in the nation (48th out of 50 states) and with rare exception, have remained unchanged since 1995.
 - Many community subspecialists fear that caring for uninsured or Medicaid patients will adversely affect their professional liability insurance premiums or result in the inability to obtain malpractice insurance at all. This concern is based on the perception that lawsuits involving safety net patients are more likely to be heard in venues such as St. Louis City where juries are overly sympathetic toward plaintiffs.

- Physician concerns about professional liability have become even more acute over the past 18 months as malpractice insurance premiums have skyrocketed. Indeed, some local safety net providers have closed their practices or moved to other states because of inability to obtain malpractice insurance.
- Lost physician productivity due to high “no show” appointment rates among safety net patients.

Dental Services

1. Safety net institutions provide dental care services at 17 geographically distributed sites throughout St. Louis City and County. These institutions are critical components of the safety net, providing over 56,000 dental care visits per year.
2. Despite the efforts of these safety net providers, there is a shortage of dentists accepting safety net patients.
3. Appointment wait times were reported as approximately two months for routine dental care at most locations.
4. Many uninsured and underinsured people do not receive preventive dental services and suffer preventable pain and suffering as well as long-term consequences that could be avoided through regular dental check-ups, preventive care and education.

Pharmacy Services

1. The rapidly increasing cost of medications makes them unaffordable for many safety net patients. Failure to fill needed prescriptions and take medication as directed negatively impacts the health of these safety net patients and contributes to health outcome disparities.
2. Comprehensive patient counseling regarding medication use leads to better clinical outcomes and decreases the risk of adverse events such as medication errors, drug interactions and serious allergic reactions. Few safety net pharmacies have the resources to provide comprehensive medication counseling for their patients.
3. Many safety net patients and providers are unaware of financial assistance programs, discount programs and other available options for providing medications at reduced cost. Eligibility criteria for these types of programs are also not widely known.
4. The level of financial assistance for outpatient medications through the Missouri Medicaid program is in jeopardy due to the State's budget shortfall.
5. While there are at least 36 dispensing pharmacies in areas in greatest need of safety net services in St. Louis City and County, 75% of these are commercial stores with no special services for uninsured and underinsured patients.
6. There is no common formulary among institutional safety net providers in St. Louis City and Saint Louis County. The formularies for the traditional Medicaid and managed Medicaid (MC+) programs also differ. This contributes to inefficiency, higher cost and confusion for both providers and safety net patients.

Mental Health: Psychiatric and Substance Abuse Services

1. There is limited coordination between the mental health care system and the physical health care system. The mental health system is "carved out" or separated from the physical health system.
2. Availability of mental health services is limited for both psychiatric and substance abuse services. For example, Department of Mental Health contracted providers see an estimated 46% of those in need of safety net psychiatric services and an estimated 38% of those in need of substance abuse services.
3. Most psychiatric care safety net providers handle after hours mental health care through a contract with Behavioral Health Response or with on-call staff persons. These after-hours services are designed for crises.
4. A majority of safety net substance abuse providers surveyed are open 24-hours a day or provide evening hours.
5. It is difficult for some people in need of psychiatric and substance abuse services to find adequate information regarding who can be serviced and what services are available.
6. Limited coordination among organizations providing children's mental health services leads to parallel systems and confusion among families with children in need of care.
7. Mental health services have been reduced due to budget cuts at the state and local level. Other funding cuts are currently being discussed.

The Financing of the Safety Net System

1. Unlike some major metropolitan areas, St. Louis does not have a strong coordinating, monitoring, or financing body for its health care safety net. This makes accounting for dollars spent in the region challenging.
2. At least \$460 Million per year would be required to provide basic primary and specialty care services to the estimated 307,000 safety net patients in St. Louis City and St. Louis County. This amount does not include costs for behavioral health or dental care, and does not account for the fact that disabilities and health disparities may be more common among uninsured and Medicaid patients than other populations.

By comparison, actual expenditures for these services are approximately \$294 Million per year for a gap of at least \$166 Million between available and needed medical resources. The various sources of estimated current funding for primary and specialty safety net services include, but are not limited to:

MEDICAID TRADITIONAL & MEDICAID MANAGED CARE PAYMENTS	\$ 205,000,000	70 %
DISPROPORTIONATE SHARE HOSPITAL (DSH) FUNDING THROUGH A SPECIAL FEDERAL SECTION 1115 WAIVER	\$ 20,000,000	07%
GRANTS FROM THE STATE OF MISSOURI	\$ 4,000,000	01%
FEDERAL SUPPORT UNDER SECTION 330 LEGISLATION (TO FEDERALLY QUALIFIED CENTERS)	\$ 13,000,000	04%
FOUNDATION SUPPORT	\$ 5,000,000	02%
ST. LOUIS CITY TAX SUPPORT	\$ 5,000,000	02%
SAINT LOUIS COUNTY TAX SUPPORT	\$ 15,000,000	05%
UNCOMPENSATED CARE PROVIDED BY MEDICAL SCHOOLS	\$ 16,000,000	05%
UNCOMPENSATED CARE PROVIDED BY HOSPITAL-BASED CLINICS	\$ 11,000,000	04%
TOTAL SOURCES	\$294,000,000	100%

3. As noted above, the 1115 DSH waiver accounts for 07% (\$20 million) of the safety net funds flowing into the St. Louis area, and represents 20% of the funds supporting community-based health centers in the region. This one-of-a-kind waiver of Medicaid regulations allows monies from the Disproportionate Share Hospital (DSH) program to be used for outpatient care.

The DSH waiver funds are currently being used to support Saint Louis ConnectCare, which relinquished its hospital license in the fall of 2002. This money is “transitional” in nature, meaning that these funds will no longer be available to support primary and specialty care once the “transition” period is completed.

4. Missouri is facing a serious budget deficit that could jeopardize the availability of safety net services, especially if cuts in Medicaid funding are required to balance the State’s operating budget. If major cuts to the Medicaid program that are currently being discussed are implemented, the number of uninsured individuals in St. Louis City and County would increase by approximately 25%.
5. Local governmental bodies spent approximately \$20 million for direct primary and specialty care for the underserved in the region. Saint Louis County, through a dedicated tax for health care, spends approximately \$15 million in direct care costs for the uninsured and underinsured, excluding expenditures for correctional patients and family mental health services. St. Louis City spends \$5 million through a dedicated portion of a use tax passed in 2001.
6. The Federal government provides support for safety net care through Section 330 of the Public Health Service (PHS) Act. In 2001, the area received approximately \$13 million in direct grants from the Federal government through region’s Federally Qualified Health Centers (FQHCs).

Barriers to Care (Section V)

The medically underserved encounter barriers that significantly limit their ability to access the safety net health care system. These include:

System Barriers

- Lack of information about available safety net medical services
- Lack of transportation
- Shortage of specialist care providers and dentists
- Policies and hours of operation of institutional safety net providers
- Disruption of services for children with special needs entering adulthood
- Limitations to the voucher/purchase order system

Financial Barriers

- Lack of insurance
- Cost of care and medical debt
- Prioritization of other needs over health care

Cultural Barriers

- Stigma associated with safety net care
- Lack of respect toward safety net patients
- Cultural barriers for minorities
- Cultural and linguistic barriers for new Americans
- Lack of health literacy

VI. Other Determinants of Health

1. Factors such as lifestyle and behavior, genetics and the environment each have a greater impact on individual health than the medical delivery system.
2. Over the next year, the RHC will conduct an analysis of prevention and health education in the region. In 2004 the RHC will release an analysis, recommendations and an implementation plan for improving prevention and education.
3. The RHC currently supports and lends expertise to initiatives working to improve prevention and health education in the region.

VII. Health Status Measurement and Reporting

1. The State of Missouri, St. Louis City and Saint Louis County have the opportunity to improve the system of health measurement and health status reporting to the community.
2. Currently, there is no ongoing comprehensive source of data and analysis reported to the St. Louis City and Saint Louis County region.
3. The RHC proposes that the St. Louis City and Saint Louis County region report on health status on an annual basis.

